CLASSIFICATION (SECRET Approved For Release 2006/01/12: CIA-RDP82-00457R003100590008-1 CENTRAL INTELLIGENCE AGENCY 25X1 REPORT REPORT INFORMATION REPORT CD NO. COUNTRY China DATE DISTR. 0 SEP 49 SUBJECT Communist Regulations for Reduction of Rent NO. OF PAGES 2 and Interest in Kwangtung NO. OF ENCLS. E ig Glass. SSEPTE DATE OF INFO. HARRED ROF / TS SUPPLEMENT TO REPORT NO. DDA Hend, 4 Apr. 77 EENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE ITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT 50 THIS IS UNEVALUATED The following is a translation of a printed copy of Chinese Communist "Iand Regulations" which were promulgated in northeastern Kwangtung during the period of local Communist control there. Preamble: The purpose of these regulations is to execute the present policy of reducing rent and interest. They are made with particular reference to the situation in Hsingninghsien (155-49, 24-04). 1. These regulations aim at improving the livelihood of the peasants, lessening feudalistic exploitation, and developing agricultural problems. 2. After the reduction of rent and interest, tenants and debtors must guarantee the payment of legitimate rent and interest. A reduction of 25% is to be made in all rents on clan land, school land, sacrificial land, temple land, land of religious societies and missions, and land belonging to private individuals, whatever the form of tenancy may be. 4. If the old rent is 50% of the yield of the land, the new rent after a 25% reduction must not exceed 375/1000 of the yield. In cases where the old rent exceeds 50% of the yield, it should first be reduced to 50%, then reduced by 25%. Rent should be entirely exempted on crops sustaining a 60% loss due to uncontrollable damange. When the loss is less than 60%, rent should be reduced in proportion to the loss. After rent reduction, the raghts of the tenant should be protected. If the previous rental agreement is for an indefinite period, such agreement should be continued. If there is no such permanent agreement, the landowner is prohibited from Cancelling the lease, renting to another party, or farming the land himself. When the land is mortgaged or

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to the original tenant.

put up for sale, and option for the mortgage or sale would be given

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al rent for the landowner's feasts, and requiring free labor service should cease. The yield of all subsidiary crops belongs entirely to the tiller of the soil.

- The government will give relief to widows, widowers, orphans, and those unable to work, when the rent collected from their land after the reduction fails to maintain their livelihood.
- 10. After the reductions are made, a "committee of just rents" will be organized under the direction of the government and the Peasants Association. The committee will fix rents according to the circumstances of the local community. The landowner and tenant will sign new rental contracts in accordance with the fixed standard.
- 11. Because of frequent crop failures in recent years, peasants have been unable to meet their rental charges. Rent owed for periods prior to 1948 should therefore be cancelled.
- 12. The interest charge on old debts should not exceed the annual rate of 30%. If on old debts the debtor has paid interest equal to or exceeding 100% of the capital, only the capital should be paid back. If the debtor has paid interest of 200% or over of the capital, no further payment of interest or capital should be paid. When old debts are cleared, mortgaged land and property should revert to the debtor.
- 13. All unreasonable contracts and loan agreements should be cancelled, and new contracts and agreements should be drawn up under the direction of the new government and the Peasants Association.
- 14. All forms of usury and compound interest agrangements should be cancelled.
- 1b. Cases of indebtedness incurred in the transaction of business or transfer of commodities will be settled by the Peoples' Government outside of these regulations.
- 16. Attempts to use special influence to impede the reduction of rent and interest will be punished by the government and the Peasants Association.
- 17. In the case of cheap purchases of land from peasants in urgent need of cash, landlords and rich peasants may be forced, after government investigation, to sell the land back at the price paid.
- 18. In the case of forcible occupation of peasants' land by local gentry, the former can request the government for an investigation, and if the accusation is substantiated, the land may be taken back without payment.
- 19. Persons found guilty by the hsien government or higher authority of counter-revolutionary activity will be subject to land confiscation. Confiscated land will be redistributed to landless and poor peasants, but a portion will be reserved for relatives of the original owner who were not involved in his criminal practices.
- 20. Clan land, village land, public land and school land should be administered by a new committee organized democratically by the clan or community. All forms of monopoly in the administration of these

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the hsien government can be requested to mediate or arbitrate

22. These regulations are temporary. When higher authorities promulgate new regulations to be applied nationally, these regulations will be amended or abolished.

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